

## **R E M A R K S**

### **A. INTRODUCTION**

Claims 49-62, 70, and 73-80 were pending.

Claims 70 and 73-79 were withdrawn from consideration by the Examiner.

Claims 49-62 and 80 are rejected.

Upon entry of this Amendment:

- Claims 49-62 and 80 will be pending
- Claims 49, 61, 62 and 80 will be amended
- Claims 70 and 73-79 will be cancelled without prejudice
- Claims 49, 61, 62 and 80 will be the only independent claims

### **B. SECTION 112 ¶ 2 REJECTION: INDEFINITENESS**

Claims 49, 51-55, 58-62 and 80 stand rejected under 35 U.S.C. § 112, second paragraph, as being indefinite for failing to particularly point out and distinctly claim the subject matter which Applicants regard as the invention.

Applicants respectfully traverse the Examiner's Section 112 ¶ 2 rejection of Claims 49, 51-55, 58-62 and 80.

#### **1. Relevant Citations and Authority**

Breadth of a claim is not to be equated with indefiniteness. *In re Miller*, 441 F.2d 689, 169 USPQ 597 (CCPA 1971). If the scope of the subject matter embraced by the claims is clear, and if applicants have not otherwise indicated that they intend the invention to be of a scope different from that defined in the claims, then the claims comply with 35 U.S.C. 112, second paragraph. MPEP § 2173.04.

The focus during examination of claims for compliance with the requirement for definiteness of 35 U.S. C. 112, second paragraph is whether the claim meets the threshold requirements of clarity and precision, not whether more suitable language or modes of expression are available. MPEP § 2173.02.

The essential inquiry pertaining to this requirement is whether the claims set out and circumscribe a particular subject matter with a reasonable degree of clarity and particularity. Definiteness of claim language must be analyzed, not in a vacuum, but in light of:

- (A) The content of the particular application disclosure;
- (B) The teachings of the prior art; and

(C) The claim interpretation that would be given by one possessing the ordinary level of skill in the pertinent art at the time the invention was made. MPEP § 2173.02.

“If the claims when read in light of the specification reasonably apprise those skilled in the art of the scope of the invention, § 112 demands no more.” Miles Laboratories, Inc. v. Shandon, 997 F.2d 870, 875 (Fed. Cir. 1993); see also, S3 Inc. v. nVIDIA Corp., 259 F.3d 1364, 1367 (Fed. Cir. 2001). The claims need set out and circumscribe a particular area with only a reasonable degree of precision and particularity. In re Moore, 58 C.C.P.A. 1042, 1046-1047 (C.C.P.A. 1971). It is impermissible in law to apply the “full, clear, concise, and exact” requirement of the first paragraph of § 112 to a claim, when that paragraph applies only to the disclosure portion of the specification, not to the claims. Orthokinetics, Inc. v. Safety Travel Chairs, Inc., 806 F.2d 1565, 1575-1576 (Fed. Cir. 1986) (citing Standard Oil Co. v. American Cyanamid Co., 774 F.2d 448, 453, 227 (Fed. Cir. 1985)). See also, MPEP § 2173.02 (“Some latitude in the manner of expression and the aptness of terms should be permitted even though the claim language is not as precise as the examiner might desire.”).

“In rejecting a claim under the second paragraph of 35 USC 112, it is incumbent on the examiner to establish that one of ordinary skill in the pertinent art, when reading the claims in light of the supporting specification, would not have been able to ascertain with a reasonable degree of precision and particularity the particular area set out and circumscribed by the claims.” Ex parte Wu, 10 USPQ2d 2031, 2033 (Board of Pat. Appeals and Interferences 1989).

The PTO is permitted to give claim language its “broadest reasonable interpretation” during prosecution. The “broadest reasonable interpretation” connotes the same notion as “consistent with the specification.” “[I]t would be unreasonable for the PTO to ignore any interpretive guidance afforded by the applicant’s written description...: as an initial matter, the PTO applies to the verbiage of the proposed claims the broadest reasonable meaning of the words in their ordinary usage as they would be understood by one of ordinary skill in the art, taking into account whatever enlightenment by way of definitions or otherwise that may be afforded by the written description contained in the applicant’s specification.” In re Morris, 127 F.3d 1048, 1053-54 (Fed. Cir. 1997).

Thus, in determining whether a claim is sufficiently definite, the Examiner must analyze whether one skilled in the art would understand the bounds of the claim when read in light of the specification. See Allen Eng’g Corp. v. Bartell Indus., 299 F.3d 1336, 1348 (Fed. Cir. 2002) (citing Personalized Media Communs., L.L.C. v. ITC, 161 F.3d 696, 705 (Fed. Cir. 1998)).

Breadth is not to be equated with indefiniteness. In re Miller, 441 F.2d 689, 693 (C.C.P.A 1971); In re Robins, 429 F.2d 452, 458 (C.C.P.A 1970) (finding claims definite under § 112 (2) even though “[g]iving the language its broadest possible meaning...the breadth of the claims insofar as the catalyst is concerned is indeed immense. However, ‘Breadth is not indefiniteness.’” (citation omitted, emphasis added)). See also, In re Warmerdam, 33 F.3d 1354, 1361 (Fed. Cir. 1994) (“There has been no showing that one skilled in the art would have any particular difficulty in determining whether a machine having a memory containing data representing a bubble hierarchy is or is not within the scope of claim 5. The Board’s point, that the claim leaves unclear the technique of how the memory is configured with the data, has no bearing on this issue. The claim plainly covers all such techniques.”); MPEP § 2173.04.

The ability of an Examiner to enumerate examples encompassed by claim language points up the weakness of the Examiner’s indefiniteness argument that the meaning of the language cannot be ascertained with any degree of reliability. See, In re Robins, 429 F.2d at 458.

It is impermissible in law to require that a claim "describe" the invention, which is the role of the disclosure portion of the specification, not the role of the claims. Orthokinetics, Inc. v. Safety Travel Chairs, Inc., 806 F.2d 1565, 1575-1576 (Fed. Cir. 1986) (citing Standard Oil Co. v. American Cyanamid Co., 774 F.2d 448, 453, 227 (Fed. Cir. 1985)). “[I]t is not necessary that a claim recite each and every element needed for the practical utilization of the claimed subject matter," as it is "entirely appropriate, and consistent with § 112, to present claims to only [one] aspect." Bendix Corp. v. United States, 600 F.2d 1364, 1369 (1979). There is no requirement under § 112, second paragraph, that a claim must be “a self-contained explanation of every step. That is not the role of claims. The purpose of claims is not to explain the technology or how it works, but to state the legal boundaries of the patent grant.” S3 Inc. v. nVIDIA Corp., 259 F.3d 1364, 1369 (Fed. Cir. 2001).

Claims need not "be plain on their face in order to avoid condemnation for indefiniteness; rather, what [this court has] asked is that the claims be amenable to construction, however difficult that task may be," and “breadth is not indefiniteness.” SmithKline Beecham Corp. v. Apotex Corp., 403 F.3d 1331, 1340-41 (Fed. Cir. 2005) (citing Exxon Research & Eng'g Co. v. United States, 265 F.3d 1371, 1375 (Fed.Cir.2001)).

## **2. “determining” of values is not unreasonably unclear or vague**

The Office Action makes a finding that “determining a first value” and “determining a second value” are “unclear and vague as to how the first and

second value are determined.” The only argument articulated is that the usage of the term “determining” is broad and varied, based on selected dictionary definitions.

The Office Action does not provide substantial evidence that support a prima facie case of indefiniteness. Without agreeing or disagreeing with the appropriateness of the particular selected definitions for “determining”, even if “determining” may cover a broad variety of embodiments or implementations, as alleged, that alone is insufficient grounds for a legal determination of indefiniteness. The Office Action does not articulate any argument, or provide any evidence, as to why, even given a broad scope of “determining,” one of ordinary skill in the art would be unreasonably unsure as to whether a particular activity would fall within the claimed limitations of “determining a first value” or “determining a second value.” Instead, the Office Action merely asserts that “determining is “broad and varied”, and concludes from this finding alone that the claims are fatally unclear. However, mere breadth is not to be equated with indefiniteness. See In re Miller; SmithKline Beecham; MPEP § 2173.04.

Applicants further note that the Office Action does not mention how the disputed terms would be considered by one of ordinary skill in the art in light of the Specification, as required for an analysis of definiteness under Section 112(2). It does not appear that the Specification was considered, or considered properly. Nor, for that matter, is there any finding as to the level of ordinary skill, which undermines the finding that the recited terms would have appeared unreasonably unclear to one of ordinary skill (in light of the Specification). See MPEP § 2173.02.

For at least these reasons, Applicants respectfully submit that no prima facie case of indefiniteness has been established with respect to any of the pending claims based on the Examiner’s objection to use of the term “determining.”

### **3. “conditional statement”**

The Office Action finds that the pending claims must be indefinite because the claims do not recite “what happens if the customer fails to agree to the modification of the parameter.” Applicants respectfully traverse this rejection, as the finding is insufficient to support the rejection of indefiniteness.

However, Applicants have amended independent Claims 49, 61 and 62 and removed the “if”, and presume that this will be sufficient to render moot the Examiner’s rejection on alleged “conditional statement”. Applicants respectfully request the Examiner’s reconsideration and withdrawal of the rejections based on the use of this alleged “conditional statement.”

#### **4. “values” and “parameter”**

Applicants traverse the allegation that the per se use of “value” and “parameter” as claim terms renders the claims fatally unclear under Section 112(2). The Office Action alleges that “values” and “parameters” are “broad, varied and constantly changing.” The only evidence asserted is selected definitions.

The Office Action does not provide substantial evidence that support a prima facie case of indefiniteness. Although Applicants do not necessarily agree or disagree with the appropriateness of the selected definitions, breadth is not to be equated with indefiniteness. See In re Miller; SmithKline Beecham; MPEP § 2173.04.

The Examiner appears to be suggesting that because a value or parameter may change in use, the scope of the terms themselves must somehow be “constantly changing,” rendering them per se indefinite. Applicants respectfully traverse this analysis.

Further, the analysis appears to treat the disputed terms without properly considering the claim language in context. For example, the rejected claims specifically provide for a parameter of a credit account, and values of that parameter of the credit account. Also, although Applicants do not necessarily agree or disagree with the Examiner’s interpretation, the Examiner’s ability to articulate examples in the cited references that the Examiner alleges are in fact “values” and “parameters” undermines the determination that the terms are fatally unclear. See In re Robins.

Applicants further note that the Office Action does not mention how the disputed terms would be considered by one of ordinary skill in the art in light of the Specification, as required for an analysis of definiteness under Section 112(2). It does not appear that the Specification was considered, or considered properly. Nor, for that matter, is there any finding as to the level of ordinary skill, which undermines the finding that the recited terms would have appeared unreasonably unclear to one of ordinary skill (in light of the Specification). See MPEP § 2173.02.

For at least these reasons, Applicants respectfully submit that no prima facie case of indefiniteness has been established with respect to any of the pending claims based on the Examiner’s objection to use of the terms “value” or “parameter.”

**5. “receiving an indication”**

The Office Action alleges that it is “vague and indefinite as to what Applicants’ mean by ‘an indication’” solely because the claim itself does not state “how or what the indication is.”

The Office Action does not provide substantial evidence that support a prima facie case of indefiniteness. The mere finding that the claim does not specify a particular type of indication is legally insufficient to support the rejection. It is impermissible in law to require that a claim “describe” the invention, which is the role of the disclosure portion of the specification, not the role of the claims. See Orthokinetics; S3 Inc.

To the extent the Examiner is concerned that “indication” is broad, breadth is not to be equated with indefiniteness. See In re Miller; SmithKline Beecham; MPEP § 2173.04. Whether Applicants’ agree with the appropriateness of the examples or not, the Examiner’s ability to articulate examples of what the Examiner submits are “indications” undermines the determination that the term “indication” is fatally unclear. See In re Robins.

For at least these reasons, Applicants respectfully submit that no prima facie case of indefiniteness has been established with respect to any of the pending claims based on the Examiner’s objection to use of the term “indication.”

**C. SECTION 101 REJECTION**

Claim 62 stands rejected under 35 U.S.C. § 101 as being directed to non-statutory subject matter. Applicants respectfully traverse the Examiner’s Section 101 rejection.

However, solely in order to provide for a desirable embodiment, Applicants have amended Claim 62 in order to recite that the step of determining a payment is by a processing device.

Applicants respectfully request reconsideration and withdrawal of the Section 101 rejection of Claim 62.

**D. SECTION 102(B) REJECTION**

Claims 49, 50 and 62 stand rejected under 35 U.S.C. 102(b) as being anticipated by Deckelman (Paul Deckelman, “American Express launches new Optima card strategy”).

Applicants respectfully traverse the Examiner’s Section 102(b) rejection.

**1. Deckelman does not teach or suggest a customer agreeing to a modification of a parameter for an offered payment to the customer**

Deckelman does not disclose any offer to a customer, let alone one based on a modification of a parameter of a credit account. To the contrary, the article strongly implies that statuses of cardholders will be evaluated and upgraded or downgraded accordingly on an ongoing basis (and interest rates adjusted accordingly) based only on previous customer behavior, and not as the result of any specific agreement of the customer to any modification of the value of any parameter. Nor does Deckelman disclose providing any offer of a payment to be provided to a customer if the customer agrees to a modification of a term. To the contrary, Deckelman is focused on how terms may come to be modified based only on the customer's activity, not in exchange of any payment to the customer, and without providing any offer or requiring any acceptance by the customer.

For at least the reason that Deckelman does not teach or suggest providing an offer to a customer associated with the credit account, wherein the offer comprises an offer to provide the payment to the customer if the customer agrees to the modification of the parameter, Applicants submit that no prima face case of anticipation has been established based on Deckelman for any of independent Claims 49 or 62.

Applicants note that independent Claims 49 and 62 have been amended as described above and now generally recite *providing an offer providing an offer to a customer associated with the credit account, wherein the offer comprises an offer to provide the payment to the customer in exchange for the customer agreeing to the modification of the parameter from the first value to the second value.* Applicants submit that Deckelman does not teach or suggest this recited subject matter for at least the reasons stated above with respect to the previous claim language.

**2. alleged finding of “modification of a parameter” is not supported by Deckelman**

The Office Action alleges, at page 6, that Deckelman teaches calculating a payment based on a modification of a parameter of a credit account from a first value to a second value. Applicants respectfully traverse the findings underlying this assertion.

The Office Action alleges that determining a first value for a parameter of a credit account is taught at pg. 44, para. 7 (“The first value is 12.5 per cent”), and determining a second value for the parameter is taught at pg. 44, para. 8 (“the second value is 17.4 per cent”). [page 6].

Deckelman does describe a 12.5 percent rate on purchases in paragraph 7, for certain cardholders meeting certain predetermined criteria, including holding the card for more than one year, spending at least \$1,000 annually, and having no late payments in the last 12 months. Deckelman in paragraph 8 does describe, for different cardholders who are new cardholders or do not meet all of the criteria listed above, a 17.4 percent rate on cash advances.

Contrary to what is asserted in the Office Action, however, Deckelman does not teach or suggest modifying the 12.5 percent rate on purchases for customers meeting certain criteria to the 17.4 percent rate on cash advances for customers meeting different criteria. The two categories of rates (purchases vs. cash advances) are clearly described as distinct and relating to different customers. Deckelman also does not suggest modifying a rate on a purchase to be a rate on a cash advance, or that a modification of a rate on a purchase, for example, would be based on a rate on a cash advance.

As Deckelman does not teach the modification from one type of rate to another, as alleged, it does not teach or suggest calculating a payment based on such a modification.

Moreover, the Examiner has not identified any “payment” disclosed in the Deckelman reference. The Examiner’s statement that “calculating a payment” is “based on \$1,000 annually being spent” does not identify the payment. It is also inconsistent with the Examiner’s prior statement that the first and second values for the parameter are the 12.5% and 17.4% rates, as the claims require that the payment be calculated based on a “modification of the parameter from the first value to the second value.” Thus, if the first and second values of the parameter are 12.5% and 17.4%, to meet the claim requirement, the “calculating a payment” must be based on the modification of 12.5% to 17.4%, and cannot be based on “over \$1,000 annually being spent.” The Examiner’s further statement that “when a package (credit account) is offered to the customer and the customer agrees by receiving the offer of the interest,” based on page 45, para. 6 of Deckelman, is not at all a disclosure of *calculating, by a processing device, a payment, wherein the payment is based on a modification of the parameter from the first value to the second value*, as required by the claims.

Lastly, these claims require that the “calculating” be performed by “a processing device.” There is no disclosure at all of “a processing device” or “calculating, by a processing device” in Deckelman.

For at least the reasons stated that the asserted findings as to what Deckelman teaches are not in fact provided in Deckelman, Applicants submit that

no prima facie case of anticipation has been established with respect to any of Claims 49, 50 or 62.

Thus, Deckelman does not teach or suggest at least either (i) calculating, by a processing device, a payment, wherein the payment is based on a modification of the parameter from the first value to the second value, or (ii) providing an offer to a customer associated with the credit account, wherein the offer comprises an offer to provide the payment to the customer if the customer agrees to the modification of the parameter, much less such steps in combination.

Accordingly, Applicants respectfully request the Examiner reconsider and withdraw the Section 102(b) rejection of Claims 49, 50 and 62.

**E. SECTION 103(A) REJECTIONS**

Claims 51-53, 61 and 80 stand rejected under 35 U.S.C. 103(a) as being unpatentable over Deckelman and further in view of Hoffman (U.S. Patent No. 5,297,026).

Claims 54-60 stand rejected as being unpatentable over Deckelman, Hoffman, Canner (“Developments in the pricing of credit card services”) and Wilcox (WO 00/60487).

All of the Section 103(a) rejections rely upon the findings made and discussed above with respect to the Section 102(b) rejections of independent Claims 49 and 62. Applicants respectfully traverse the Section 103(a) rejections for at least the same reasons stated above. The cited references do not correct the deficiencies of Deckelman, as stated above; the Office Action does not assert otherwise.

Further with respect to Claims 54-60, Applicants respectfully submit that Wilcox is not a proper Section 103(a) reference. Its earliest potential priority date (which Applicants understand is April 2, 1999) is after the effective filing date of the present Application (which claims priority to U.S. Application No. 08/815224 (now U.S. Patent No. 5,970,478), filed March 12, 1997).

For at least these reasons, Applicants respectfully request reconsideration and withdrawal of the Section 103(a) rejections of Claims 51-61 and 80.

**F. ADDITIONAL COMMENTS**

Our silence with respect to the Examiner’s other various assertions not explicitly addressed in this paper, including assertions of what the cited reference(s) teach or suggest, the Examiner’s interpretation of claimed subject matter or the Specification, or the propriety of any asserted combination(s) of teachings, is not to be understood as agreement with the Examiner. As the

Examiner has not established an un rebuttable prima facie case for rejecting any of the claims as pending, for at least the reasons stated in this paper, we need not address all of the Examiner's assertions at this time. Also, the absence of arguments for patentability other than those presented in this paper should not be construed as either a disclaimer of such arguments or as an indication that such arguments are not believed to be meritorious.

**G. PETITION FOR EXTENSION OF TIME TO RESPOND & AUTHORIZATION TO CHARGE APPROPRIATE FEES**

Applicants understand that a three-month extension of time to respond to the Office Action is necessary.

Please grant a petition for any extension of time required to make this Response timely. Please also charge any other appropriate fees set forth in 37 C.F.R. §§ 1.16 – 1.18 for this paper and for any accompanying papers to:

Charge: \$1110.00  
Deposit Account: 50-0271  
Order No.: 96-108-C2

Please credit any overpayment to the same account.

**H. CONCLUSION**

It is submitted that all of the claims are in condition for allowance. The Examiner's consideration is respectfully requested.

If the Examiner has any questions regarding this paper or the present application, the Examiner is cordially requested to contact Michael Downs at telephone number (203) 438-6408 or via electronic mail at [mtdowns@finchamdowns.com](mailto:mtdowns@finchamdowns.com).

Respectfully submitted,

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